



Approved For Release 2003/04/24 : CIA-RDP80B01676R001200130019-7

ER-9-5378

DEPARTMENT OF THE NAVY
OFFICE OF THE CHIEF OF NAVAL OPERATIONS
WASHINGTON 25, D. C.

IN REPLY REFER TO

Ser 003P92

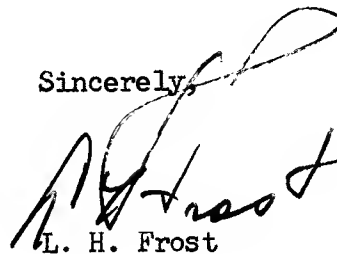
17 July 1957

SECRET

Dear Mr. Dulles:

Pursuant to our discussion at the IAC meeting
on Tuesday, I am forwarding the attached brief on the
Gulf of Aqaba.

Sincerely,


L. H. Frost

Mr. Allen Dulles
Central Intelligence Agency
Washington 25, D. C.

Copy to:
State (Mr. Cumming)

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NAVY review(s) completed.

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MARITIME ASPECTS OF THE GULF OF AQABA

At the end of hostilities in November 1956 the Israeli Navy had only 2 small armed launches in the Gulf of Aqaba. Since that time the Navy has increased its strength by 2 patrol frigates (MISPAK and MISGIV), which arrived in the Eilat area in December 1956 and January 1957, and 3 (possibly 5) PT boats, which were transferred overland from Haifa during the first half of 1957. The ships have maneuvered at various times in the Gulf since their arrival, particularly in early May prior to and during Israeli Independence Day celebrations. Each time Israeli naval ships conducted maneuvers in the Gulf, Saudi Arabia -- and, to some extent, Jordan -- complained that their territorial waters had been violated. These accusations are over and above the continuous Arab claim that the Gulf is within Arab territorial waters and comprises a closed sea. Since the Gulf is so narrow and Egypt, Jordan and Saudi Arabia hold territory at its northern end, it is impossible for Israeli naval units to maneuver without violating Arab territorial waters if the 6-mile Arab claim is upheld. Assuming the legality of the 3-mile limit, Israeli ships could traverse the Gulf in direct passage and could conduct maneuvers on a very limited scale.

Following the Israeli seizure of Sharm el Sheikh and the islands in the Tiran Straits and the subsequent assumption of control of the areas by the UNMF, Israel began the movement of chartered foreign flag ships into the port of Eilat. Passages of this type of traffic continue. Ships of Danish, Italian, Costa Rican, Greek, and Panamanian registry have been engaged in the movement of bulk cargo from East African ports to Eilat. Oil from Iran has been brought to Eilat by ships of US and Liberian registry. Tankers involved were, or are, KERN HILLS, SLEET JAMER, and LEMORY. It is believed that KERN HILLS, the only US flag tanker has now been taken off the Eilat run. LEMORY was at Djibouti 5 July en route from Eilat to Bandar Mashur. It is estimated that 100,000 tons of crude oil and POL have arrived at Eilat during 1957.

The first Israeli flag ship, ATLIT, arrived at Eilat on 7 June 1957 after passage through the Gulf. After an unnoted out-passage she was observed in Mombasa on 8 July 1957. If she departed Mombasa on that date she could next arrive at the Tiran Straits on 18 July. There are no indications, at the present time, that additional Israeli flag ships will engage in the East African trade out of Eilat. However, there have been reports that Israel will operate fishing boats out of Eilat in the Red Sea. These reports have been denied by the Israeli Government.

Reaction by the Arab states to Israeli use of the Gulf of Aqaba has, to-date, been vocal. The Egyptian navy, except for a midshipman

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training cruise into the Red Sea, has remained near Suez. Jordan and Saudi Arabia have no navies. There has been no attempt by the Egyptians to expel the UNEF from Sharm El Sheikh in order to reassert Egyptian rule in this area. Apparently the Egyptians, Saudi Arabians and Jordanians have not used shore-based guns to prevent Israeli or foreign flag ships from using the Gulf. There has also been no indication of use of aircraft by these nations to prevent such passage. Egyptian Navy CinC Elzzat's statement that his newly acquired Soviet submarines would be used to protect Egyptian territorial waters cannot, however, be ignored.

In the meanwhile the Israelis continue to improve the port of Eilat. It is a boom town that will have a population by the end of 1957 of 5,000 according to Israeli claims. A pier sufficient to handle ships of 5,000 tons has been completed. This pier is now being enlarged to handle 10,000-ton ships. Oil storage facilities are now 40,000-tons crude oil and 1,500 tons POL. An additional 25,000 tons crude and 600 tons POL are under construction. An 8-in oil pipeline has been completed from Eilat to Beersheba and is in use. This line is being extended by a 16-in line which will probably terminate on the Mediterranean at Jabi Sukreir (south of Haifa). It is also reported that the 8-inch line will be paralleled by a 16-inch line and that in the future these lines will connect with the refinery at Haifa.

It is evident that Israel intends to use the Gulf of Aqaba and to make Eilat a major port. Movement of ships through the Gulf are under a secrecy screen for Israel does not desire that its use of the Gulf become a cause of hostilities at this time. It is also apparent that the Arabs are using every effort at present to stop Israeli use of the Gulf by political means. It is possible they may resort to force at a future date if political procedures fail.

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MEMORANDUM FOR: MR. DULLES

Copies of the attached memoranda from Adm.
Frost and Mr. R. Gordon Arneson on the Gulf
of Aqaba have been furnished to ONE.

JSE 17 July
(DATE)

FORM NO. 101 REPLACES FORM 10-101
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